

Taylor IV, William - BALTO

From: Piscicelli, Carlo [CPiscicelli@STBLAW.com]  
Sent: Wednesday, November 14, 2001 4:48 PM  
To: robert.kelly@wellpoint.com; william.taylor@piperrudnick.com  
Cc: Horowitz, Gary I; LaMacchia, Thomas F  
Subject: Project Congress - Affiliate Letters



Form of Affiliate Letter

Attached please find the draft form of affiliate letter from the foundations. Please note that WellPoint has not had the opportunity to review it, and, as a result, the letter remains subject to change.

Carlo

<<Form of Affiliate Letter>>

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Carlo de Vito Piscicelli  
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New York, New York 10017  
Phone (212) 455-2304  
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OCC 009540

[FORM OF AFFILIATE LETTER]

\_\_\_\_\_, 2002

WellPoint Health Networks, Inc.  
One WellPoint Way  
Thousand Oaks, CA 91362

Ladies and Gentlemen:

Pursuant to the terms of the Agreement and Plan of Merger, dated as of November \_\_, 2001 (the "Merger Agreement"), among WellPoint Health Networks, Inc., a Delaware corporation ("Purchaser"), CareFirst, Inc., a Maryland corporation ("CareFirst") and CF Acquisition Corporation, a Maryland corporation and a direct wholly owned subsidiary of Purchaser ("Merger Sub"), Merger Sub will merge with and into CareFirst. Immediately following the Merger, the separate corporate existence of Merger Sub shall cease and CareFirst shall continue as the surviving corporation under the name CareFirst, Inc. Capitalized terms used but not defined herein have the meanings assigned to them in the Merger Agreement.

The undersigned has been advised that as of the date the Merger is submitted to stockholders of CareFirst for approval the undersigned may be an "affiliate" of CareFirst, as the term is defined for purposes of paragraphs (c) and (d) of Rule 145 of the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended (the "Securities Act"), although nothing contained herein shall be construed as an admission of such fact, or as a waiver of any rights that the undersigned may have to object to any claim that the undersigned is such an affiliate on or after the date of this letter agreement.

As a result of the Merger, the undersigned will receive Purchaser Common Stock in exchange for shares owned by the undersigned of CareFirst Common Stock.

The undersigned hereby represents, warrants and covenants with and to Purchaser that:

The undersigned understands that an investment in Purchaser Common Stock acquired as a result of the Merger is highly speculative and involves substantial economic risk. The undersigned understands that it must bear the economic risk of this investment indefinitely unless the Purchaser Common Stock is registered pursuant to the Securities Act, or an exemption from registration is available, and that the undersigned may

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sustain, and is financially able to sustain, a complete loss of its investment in the Purchaser. The undersigned understands that there is no assurance that any exemption from registration under the Securities Act will be available and that, even if available, such exemption may not allow the undersigned to transfer all or any portion of the Purchaser Common Stock under the circumstances, in the amounts or at the times the undersigned might propose.

The undersigned represents that, by reason of its or of its management's business or financial experience, the undersigned has the capacity to protect its own interests in connection with the transactions contemplated in the Merger Agreement.

The undersigned acknowledges and agrees that the Purchaser Common Stock must be held indefinitely unless it is subsequently registered under the Securities Act or an exemption from such registration is available.

The undersigned will not sell, transfer or otherwise dispose of the Purchaser Common Stock received in the Merger unless (i) such sale, transfer or other disposition has been registered under the Securities Act, (ii) such sale, transfer or other disposition is made in conformity with the provisions of Rule 145 under the Securities Act (as such rule may hereafter from time to time be amended) or (iii) in the opinion of counsel in form and substance reasonably satisfactory to Purchaser, or under a "no-action" or interpretive letter obtained by the undersigned from the Commission specifically issued with respect to a transaction to be engaged in by the undersigned, such sale, transfer or other disposition will not violate or is otherwise exempt from registration under the Securities Act.

The undersigned understands and agrees that this letter agreement shall apply to all shares of the capital stock of CareFirst that are deemed to be beneficially owned by the undersigned pursuant to applicable federal securities laws.

The undersigned has carefully read this letter agreement and discussed its requirements and other applicable limitations upon the undersigned's ability to sell, transfer or otherwise dispose of the capital stock of Purchaser, to the extent the undersigned felt necessary, with the undersigned's counsel or counsel for CareFirst, as applicable.

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This letter agreement shall be governed by and construed in accordance with the laws of the State of Delaware.

Very truly yours,

[SIGNATORY]

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Name:

Title:

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